This Listing Statement is compiled by the Exchange from documents filed by the Company in making application for listing. It is issued for the information of members, member firms and member corporations of the Exchange. It is not and is not to be construed as a prospectus. The Exchange has received no consideration in connection with the issue of this Listing Statement other than the customary listing fee. The documents referred to above are open for inspection at the general office of the Exchange.

ISTING STATEMENT NO. 2558

LISTED JULY 5, 1972.
1,718,764 common shares without par value of which 2,000 shares are subject to issuance.
Stock Symbol MIV
Post Section 9.5

THE TORONTO STOCK EXCHANGE

LISTING STATEMENT

MICC INVESTMENTS LIMITED

Incorporated under the laws of Canada by Letters Patent dated June 21, 1963.

COMMON SHARES WITHOUT PAR VALUE

CAPITALIZATION AS AT JUNE 28, 1972

SHARE CAPITAL	Authorized	Issued and Outstanding	To be Listed
Common shares without par value	5,000,000(1)	1,716,764	1,718,764

(1) The 5,000,000 common shares may not be issued for a consideration aggregating more than $25,000,000.

(2) Includes 2,000 common shares reserved for issue under an option. Reference is made to "Option to Purchase Shares" on page 15 of the Prospectus.

1. APPLICATION

MICC Investments Limited (the "Company") hereby makes application for the listing on The Toronto Stock Exchange of 1,718,764 common shares without par value in the capital of the Company (the "common shares"), of which 1,716,764 common shares have been issued and are outstanding as fully paid and non-assessable. The remaining 2,000 common shares included in this application have been reserved for issue under an option granted to a director and senior officer of the Company. Reference is made to "Option to Purchase Shares" on page 15 of the Prospectus.

2. REFERENCE TO PROSPECTUS

Reference is hereby made to the attached Prospectus (herein referred to as the "Prospectus") of the Company dated June 13, 1972, with respect to the offering of 550,000 common shares without par value in the capital of the Company, a copy of which Prospectus is hereby incorporated in this application and made a part hereof.

3. HISTORY

Reference is made to "The Company" on page 3 of the Prospectus.

4. NATURE OF BUSINESS

Reference is made to "Business" on page 5 of the Prospectus.

5. INCORPORATION

The Company was incorporated under the laws of Canada by Letters Patent dated June 21, 1963, under the name "Holborough Investments Limited" with an authorized capital of 100,000 common shares without par value. By Supplementary Letters Patent dated December 11, 1963, the capital of the Company was increased by the creation of an additional 200,000 common shares and 40,000 6% non-cumulative redeemable preferred shares (the "Preferred Shares") of the par value of $100 each. By Supplemntary Letters Patent dated February 10, 1969, 18,280 unissued Preferred Shares were converted into 182,800 common shares of the Company and the capital of the Company was increased by the creation of 317,200 additional common shares. The Company has obtained Supplementary Letters Patent dated May 4, 1972, changing its name to "MICC Investments Limited", subdividing each of the issued and unissued common shares of the Company into two shares and increasing the authorized capital of the Company to 5,000,000 common shares.

6. SHARE ISSUES SINCE INCORPORATION

(a) Common Shares Without Par Value

Date of Issue	No. of Shares Issued	Amount Realized Per Share	Total Amount Realized	Purpose of Issue
June 23, 1963	12	$10	$ 120	Subscription on incorporation.
November 14, 1963	2,988	$10	$ 29,880	Issued to sponsoring shareholders to increase capital.
November 15, 1963	3,000	$10	$ 30,000	Issued to sponsoring shareholders to increase capital.
April 29, 1964	110,100	$10	$1,100,100	Issued to sponsoring shareholders to increase capital.
September 15, 1964	22,500	$10	$ 225,000	Issued to sponsoring shareholders to increase capital.
April 13, 1965	38,400	$10	$ 384,000	Issued to sponsoring shareholders to increase capital.
December 11, 1968	9,000	$10	$ 90,000	Issued to sponsoring shareholders to increase capital.
February 28, 1969	31,750	Nil	$ 96,380	Allotment made pro rata to all common shareholders with capitalization of surplus in the amount of $96,380 to pay up such shares.
May 9, 1969	190,500	$ 9	$1,714,500	Issued in exchange for 23,045 shares of The Mortgage Insurance Company of Canada.
September 23, 1969	39,950	$ 9	$ 359,950	
December 15, 1969	56,249	$ 9	$ 506,241	Issued to increase capital.
June 17, 1970	15,180	$10	$ 151,800	Issued to increase capital.
December 15, 1971	56,153	$20	$1,123,060	Issued to increase capital.
May 4, 1972	575,782	Nil	Nil	Supplementary Letters Patent subdivided each issued common share into two common shares.
June 12, 1972	15,200	$14.10	$ 214,320	Issued pursuant to Employee Stock Purchase Plan (see page 15 of the Prospectus).
June 28, 1972	550,000	$14.10	$7,755,000	Issued to public pursuant to offering made in the Prospectus.

(b) Preferred Shares.

Date of Issue	No. of Shares Issued	Amount Realized Per Share	Total Amount Realized	Purpose of Issue
April 29, 1964	750	$100	$ 75,000	Issued to sponsoring shareholders to increase capital.
April 13, 1965	3,750	$100	$ 375,000	Issued to sponsoring shareholders to increase capital.
May 5, 1966	5,220	$100	$ 522,000	Issued to sponsoring shareholders to increase capital.
September 26, 1967	3,030	$100	$ 303,000	Issued to sponsoring shareholders to increase capital.
February 28, 1969	8,970	Nil	Nil	Issued to the holders of the outstanding common shares pro rata in accordance with their holdings being paid up out of $897,000 capitalized surplus. These shares together with all of the issued Preferred Shares were redeemed at par on February 28, 1969.

7. STOCK PROVISIONS AND VOTING POWER

Reference is made to "Description of the Common Shares" on page 11 of the Prospectus.

8. DIVIDEND RECORD

Reference is made to "Dividend Record and Policy" on page 11 of the Prospectus and to "Consolidated Statement of Retained Earnings" on page 21 of the Prospectus.

NO SECURITIES COMMISSION OR SIMILAR AUTHORITY IN CANADA HAS IN ANY WAY PASSED UPON THE MERITS OF THE SECURITIES OFFERED HEREUNDER AND ANY REPRESENTATION TO THE CONTRARY IS AN OFFENCE.

These securities are offered by this prospectus only in jurisdictions where these securities may be lawfully offered.

New Issue

MICC Investments Limited

550,000 Common Shares

(without par value)

The 550,000 common shares offered by this prospectus are authorized but unissued shares being acquired from the Company.

There is no market for the common shares of the Company and the offering price was determined by negotiation between the Company and the Underwriter.

Applications have been made to list these shares on the Montreal and Toronto stock exchanges. Acceptance of the listings will be subject to the filing of required documents and evidence of satisfactory distribution, both within 90 days.

These common shares will qualify as investments for certain financial institutions. Reference is made to "Eligibility for Investment".

Price: $15.00 per share

	Price to Public	Underwriting Discount	Proceeds to Company (1)
Per share	$ 15.00	$ .90	$ 14.10
Total	$8,250,000	$495,000	$7,755,000

(1) Before deduction of expenses of issue, estimated not to exceed $60,000.

We, as principals, conditionally offer these common shares, subject to prior sale, if, as and when issued by the Company and accepted by us in accordance with the conditions contained in the agreement described under the heading "Plan of Distribution" and subject to the approval of all legal matters on behalf of the Company by Blake, Cassels & Graydon and on our behalf by McMillan, Binch.

Subscriptions will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice. It is expected that share certificates in definitive form will be available for delivery on or about June 28, 1972.

Greenshields Incorporated

TABLE OF CONTENTS

THE COMPANY

MICC Investments Limited (the "Company"), a company incorporated under the laws of Canada by letters patent dated June 21, 1963, was formed by Aluminum Company of Canada, Limited, Shieldings Limited (a company controlled by Greenshields Incorporated) and a Canadian Chartered Bank for the purpose of engaging in activities related to mortgage lending and real estate. On May 4, 1972, the Company obtained supplementary letters patent changing its name from Holborough Investments Limited to MICC Investments Limited, subdividing the issued and unissued common shares of the Company and increasing the authorized capital of the Company (see note 7a to the Consolidated Financial Statements). Unless otherwise indicated all references to common shares of the Company in this Prospectus give effect to such subdivision.

The Company caused The Mortgage Insurance Company of Canada ("MICC") to be incorporated under the Canadian and British Insurance Companies Act by a Special Act of the Parliament of Canada on December 21, 1963. MICC is engaged in the business of mortgage and lease guarantee insurance, is registered as an insurer by the Department of Insurance, Ottawa and is licensed by the appropriate provincial authorities to conduct business in each of the ten Provinces of Canada and by the Commissioner of Insurance for the State of Wisconsin, U.S.A.

Initially the Company held 55% of the shares of MICC with the remaining 45% being held as to 40% by other Canadian corporate and institutional investors and as to 5% by Mortgage Guaranty Insurance Corporation of Milwaukee, Wisconsin. The Company's interest in MICC was subsequently reduced to about 51% as a result of the exercise of certain stock options, one of which was held by Mortgage Guaranty Insurance Corporation, and the issuance of additional treasury shares. In 1969 the Company divested itself of all of its assets other than its investment in MICC, revised its capital structure and acquired the minority shareholdings of MICC (other than directors' qualifying shares) in exchange for common shares of the Company. As a result MICC became, substantially, a wholly-owned subsidiary of the Company and its principal asset (see note 1 to the Consolidated Financial Statements).

In addition, the Company has a 50% interest in Charlotte Properties Limited which is engaged in vacation land development.

The head and principal office of the Company is located in leased premises at 401 Bay Street, Toronto, Ontario, Canada.

CAPITALIZATION

	Authorized	Outstanding March 31/72	Outstanding April 30/72	To be outstanding after this financing
Debt:				
Bank Loans	—	$2,000,000	$2,000,000	—
Capital Stock:				
Common Shares without par value (1)	5,000,000 shs	$5,811,532 (1,151,564 shs)	$5,811,532 (1,151,564 shs)	$13,780,852 (1,716,764 shs)

(1) In addition to the stated value of the common shares as shown, the Company had consolidated retained earnings, less unrealized loss on stocks, at March 31, 1972 of $3,195,642. Reference is made to note 4 to the Consolidated Financial Statements as to details of shares reserved for future issue.

USE OF PROCEEDS

The estimated net proceeds to be derived by the Company from the sale of 550,000 common shares amounting to $7,755,000, will after payment of expenses of issue estimated at $60,000, be used as to $2,000,000 to retire outstanding bank loans incurred in March, 1972 to buy treasury shares in MICC, as to $4,000,000 to acquire 16,000 additional treasury shares of MICC (see heading "Capital Requirements") and the balance of approximately $1,695,000 will be retained by the Company. The funds to be invested in MICC and to be retained by the Company will be used to acquire marketable investments consisting primarily of fixed income securities.

INTRODUCTION TO MORTGAGE INSURANCE

Traditionally, the major mortgage lenders in Canada have been the insurance, loan and trust companies and, since 1967, the chartered banks. In recent years, substantial mortgage funds have also been provided by pension funds. Each of these institutional lenders is, and for many years has been, subject to government regulations limiting the amount of the loan in respect of any property to a specified percentage of the value of such property. Such loans are commonly known as "conventional mortgages" and the statutory loan limitations are referred to as the "loan-to-value ratio". Loans in excess of the loan limitation are commonly known as "high ratio mortgages".

In 1935 the generally prevailing legal loan-to-value ratio for conventional mortgages was 60% but in that year the Government of Canada introduced its Dominion Housing Act which made possible high ratio joint loans (with government participation) of up to 80% of value. These joint loan arrangements remained in force during the period from 1935 to 1954 when the National Housing Act, 1954 instituted a system of government insured high ratio mortgage loans ("NHA Mortgages"). At that time the loan-to-value ratio for conventional mortgage loans was 60% and up to 90% for NHA Mortgages.

Notwithstanding the significant contribution made by NHA Mortgages in the financing of new housing in Canada, it became apparent in the early 1960's that there were certain segments of the housing market whose needs were not being adequately met. NHA Mortgages were limited as to dollar amount and rate of interest and were primarily available for new housing. With increasing property costs NHA Mortgages became less suitable for some new housing and there was a growing demand for high ratio financing on existing housing. The then maximum 66-2/3% loan-to-value ratio for conventional loans meant that a substantial down payment was required. In many cases where the full down payment was not available the home buyer obtained the needed funds under a short term, high interest rate second mortgage.

It was in this climate that the Company devised its insured joint loan program. In 1963 the Company sponsored the formation of Central Covenants Limited ("Central Covenants") to participate with institutional mortgage lenders in making insured high ratio mortgage loans. The institutional lender would provide mortgage funds up to the statutory loan-to-value limit and Central Covenants would provide the portion of the joint loan in excess of the statutory limit up to approximately 85% of value. The success of this program depended entirely upon the ability of Central Covenants to raise funds on the strength of its assets consisting primarily of participations in the high ratio portions of joint loans. It was concluded that such assets would support the substantial financing required for the joint loan program only if they were insured and it was for this purpose that the Company sponsored the formation of MICC. The Company held an interest of approximately 11% in Central Covenants from 1963 until it disposed of its interest to the three founding shareholders of the Company in 1969.

During the period from June 1964, when Central Covenants and MICC commenced operations, until 1970, the mortgage insurance activities of MICC were confined primarily to the insuring of joint high ratio loans made by institutional mortgage lenders and Central Covenants. At the outset, the plan involved only single family dwellings, duplexes and triplexes, but over the period it was expanded to include apartments and other multiple family dwellings and commercial and industrial properties. In 1965, the loan-to-value ratio for conventional loans was increased from 66-2/3% to 75% and MICC increased its insurable high ratio loan to approximately 90% of value.

In March 1970, the federal laws controlling institutional lenders were amended to permit them to invest in high ratio loans using only their own funds providing any excess over 75% of value was insured either by a federal or provincial government agency or by an insurance company registered under either the Canadian and British Insurance Companies Act or the Foreign Insurance Companies Act. The provinces of Alberta, Manitoba, Ontario and New Brunswick have also amended certain of their statutes controlling institutional lenders to provide parallel powers. To the knowledge of the Company, MICC is the only insurance company in Canada which acts as a private insurer of mortgages. As a result of these amendments to legislation, qualified institutional lenders are now availing themselves of the services of MICC to enable them to make insured high ratio mortgages with their own funds and the joint loan program is now rarely used.

At present, MICC's main competition is provided by NHA Mortgages and while other government agencies do provide mortgage insurance, their competition has not been significant to date. Although NHA Mortgages are now fully

available for existing single family residential properties, they are limited to loan amounts not exceeding $18,000. In the case of new construction, they are limited to loan amounts not exceeding $25,000. The Company understands that representations are being made to increase these limits. In 1971 the average MICC insured mortgage loan was $20,565 on existing single family residential properties and $22,872 on new construction. NHA Mortgages are not available under existing legislation for commercial and industrial properties. From its commencement of this type of business in late 1969 to March 31, 1972 MICC issued commitments to insure mortgages on commercial and industrial properties aggregating $42,164,000. Although the premium rates charged on NHA Mortgages are less than those charged by MICC for comparable risks, the Company believes that MICC will continue to compete sucessfully with government insured mortgage loans.

BUSINESS

Business of MICC

MICC is engaged in the business of insuring investment risks, primarily by insuring mortgage lenders against losses on residential, commercial and industrial mortgage loans and lessors of commercial and industrial real estate against losses through failure of tenants to pay rent.

MICC engages in mortgage insurance and lease guarantee insurance in Canada and in the reinsurance of mortgage insurance in the United States. Premiums written in 1971 were split approximately 89%, 3% and 8% respectively among these three categories. Until late 1970 MICC was engaged solely in the business of mortgage insurance.

Mortgage Insurance

MICC offers mortgage insurance only to mortgage lenders approved by it. MICC commenced business with 23 lenders and as at March 31, 1972 it had 86 lenders including 3 chartered banks, 25 life insurance companies, 36 loan and trust companies, and 22 mortgage correspondents. Of these lenders 26 have been added since January 1, 1971. Set out below are the total dollar commitments to insure issued in each of the last five fiscal years and for the three months ended March 31, 1972. These commitment figures relate to the insured amounts of mortgages as originally approved by MICC and include policies subsequently issued by MICC. They do not take into account cancellations or lapses.

	Total Commitments		Total Commitments
1967	$ 80,000,000	1970	$ 33,400,000
1968	$ 53,300,000	1971	$257,000,000
1969	$ 30,700,000	1972 (to March 31)	$112,800,000

Historically, MICC has been dependent on relatively few lenders for a substantial portion of its business. For example, in any one of the five years to December 31, 1971 the two lenders to whom the largest dollar volume of commitments were issued, taken together, accounted for 36% to 53% of total dollar volume. For each of the five years the two largest lenders were never the same and, over the period, six lenders were included as being in this category.

Of the dollar value of mortgage insurance commitments issued during 1971, 88% were under the residential program, 11% were under the commercial and industrial program and 1% were under the vacation home program. Of the mortgage insurance commitments issued under the residential program, 91% were on single family residential properties and the balance were on multi-family properties.

The substantial increase in insurance commitments issued by MICC in 1971 was attributable to the changes in legislation referred to above, an increase in the number of lenders, the greater availability of mortgage funds, the general decline in interest rates, and an increase in the construction of residential, commercial and industrial properties. There had been a severe shortage of mortgage funds in 1969 and 1970, particularly for the high ratio joint loan program which was then the principal source of MICC's business.

Coverage is available for loans on single family dwellings and duplexes up to 90% of value and on rental projects, apartment buildings, townhouses and other multi-family units up to 85% of value. Most of the insurance written is for high ratio loans of approximately 90% of value for single family dwellings. Mortgages on residential vacation properties are insurable up to 75% of value. Coverage is also available for mortgages on a wide variety of commercial and industrial buildings up to 85% of value.

MICC's present policy is to limit the maximum amount of an insurable mortgage for rental projects, such as apartment buildings and townhouses, and for commercial and industrial buildings to $2,000,000 for loans up to 75% of value and $1,500,000 for loans over 75% of value. These limits are reviewed from time to time and have been exceeded on occasion with the prior approval of the board of directors of MICC.

To obtain insurance on a specific mortgage loan under any of MICC's programs, a lender submits an application to MICC consisting of a copy of the borrower's application to the lender, an appraisal report on the property, a credit report on the borrower and confirmation of the borrower's income. The application is accompanied by a fee which is refundable under certain circumstances. The underwriting department of MICC reviews this material and accepts or rejects the application, generally on the day that it is received. All mortgages approved for insurance must be amortized over not more than 30 years although, in fact, over 95% of all mortgages are amortized over not more than 25 years. The term of a mortgage may vary from 5 years to 30 years. The financial condition and income of the borrower must be sufficient in the opinion of MICC to support the payments due on the proposed mortgage loan and any other outstanding obligations. Insurance policies issued by MICC normally cover a 15 year period although a small percentage of commercial and industrial mortgages are insured for 5 or 10 years. Where the term of the mortgage is less than the insured period there is provision for the insurance to continue in force for the balance of the insured period upon renewal of the mortgage provided the principal amount of the loan is not increased from the amount outstanding at the date of renewal and the period of amortization is satisfactory to MICC.

MICC processes applications for insurance on single family dwellings from approved lenders primarily on the basis of information submitted by the lender without MICC's own appraisal of the mortgaged property. MICC checks on the soundness of appraisals submitted to it by each lender by subsequently testing appraisals of selected properties through the services of independent appraisers or appraisers on the staff of MICC. In the case of commercial and industrial properties and large rental projects, MICC will normally do its own appraisal before issuing a commitment.

Insurance premiums are payable in advance on a single premium basis and are calculated as a percentage of the principal amount of the mortgage. There are fixed premium rates for each type of insurance written and such rates are related to MICC's assessment of the risk inherent in each type. Premium rates vary from 1% on conventional residential single-family mortgages to 3% on some commercial and industrial mortgages. The high ratio residential program is written at a premium of 1-1/2%. Premiums are taken into income over the life of the policy (see heading "Regulations and Reserves").

The amount of premiums written by MICC from its mortgage insurance business and their percentage distribution by Provinces during the periods indicated was as follows:

	Years Ended December 31					Three Months Ended
	1967	1968	1969	1970	1971	March 31, 1972
Total Premiums Written (in thousands)	$1,076	$803	$555	$485	$2,953	$921
Province:	%	%	%	%	%	%
Alberta	8.4	9.6	11.8	6.8	6.0	7.5
British Columbia	23.1	25.0	22.6	4.8	8.5	14.0
Manitoba	1.3	2.3	4.9	1.8	1.2	4.0
New Brunswick	2.8	2.2	6.2	13.1	6.3	5.3
Newfoundland	2.1	4.0	2.8	7.3	2.3	2.7
Nova Scotia	4.7	3.7	6.5	19.3	8.5	5.9
Ontario	41.5	42.5	37.4	38.9	63.6	54.1
P.E.I.	.2	.1	.3	2.4	.5	.5
Quebec	13.8	8.3	6.9	5.5	1.9	5.7
Saskatchewan	2.1	2.3	.6	.1	1.2	.3

Claims Procedure

In order for a lender to make a claim against MICC on an insured mortgage in default, the lender must generally obtain title to the mortgaged property and tender it to MICC. A lender is entitled to include in its claim the amount of the principal outstanding plus accrued interest, arrears of taxes, unpaid utility charges, property preservation costs and legal costs in acquiring title to the mortgaged property. After MICC has received a claim from a lender, it generally has a choice of two methods of satisfying such claim. The first method, known as Option A, permits MICC to pay the claim in full in cash and obtain title to the mortgaged property. MICC may incur a loss to the extent that the claim payment made to the lender exceeds the amount realized by MICC on disposal of the mortgaged property. The second method, known as Option B, permits MICC to pay the lender 20% of the amount claimed and to leave title to the mortgaged property with the lender who then disposes of it and thereby recovers all or part of the loss not paid by MICC. All claims received to date have been in respect of high ratio loans on single family residences and have been settled under the provisions of Option A.

Since February, 1971 policies issued on loans up to 75% of value covering single family residential, duplexes, triplexes and vacation homes have contained no provision for MICC to exercise Option B in settlement of the lender's claim.

Delinquency

The insurance policies issued by MICC require the lender to give notice to MICC when there is a default, which normally occurs when payments under insured mortgages are three months in arrears.

There has been one reported default of an insignificant amount under the commercial and industrial loan program. Defaults under the 75% residential loan program have also been insignificant.

The following table shows the number of insured high ratio residential loans that have been reported in default, the number of such defaults which have been cured and the number of claims that have resulted, together with the net amount of losses on such claims. Also shown is the percentage of defaults outstanding at the end of each year to the total number of insured loans.

Year Ended December 31	No. of Defaults Reported	No. of Defaults Cured	No. of Claims	Net Loss on Claims	No. of Defaults at end of Year	No. of Defaults as Percentage of Insured Loans
1971	256	229	7	$41,463	78	0.39%
1970	194	162	2	$ 8,125	58	0.45%
1969	120	116	2	$ 3,524	28	0.23%
1968	108	96	6	$ 8,771	26	0.24%
1967	103	102	6	$12,768	20	0.22%

The 78 loans in default at December 31, 1971 include 49 loans where the borrower was in default five months or less, with a maximum exposure to MICC of $189,000; 21 loans where the borrower was more than six months in arrears and less than one year in arrears with a maximum exposure to MICC of $78,000; and 8 loans where the borrower was in default for more than one year with a maximum exposure to MICC of $33,000. The maximum exposure has been computed on the basis of applying Option B to the original amount of the insurance written without taking into account principal payments by the borrower and other allowable claims expenses, including delinquent interest and taxes, lender's legal cost, and property preservation costs.

Maximum Exposure

As at December 31, 1971 and after giving effect to the provisions of Option B, where applicable, MICC had a maximum exposure under mortgage insurance of approximately $98,400,000.

Lease Guarantee Insurance in Canada

Under a program commenced in late 1970, MICC issues policies of insurance protecting the lessors of many types of commercial and industrial real estate against loss of revenue through failure of tenants to pay rent. Coverage on any one lease is available for a term of up to 15 years and for an aggregate insured rental of up to $2,750,000. Aggregate insured rental is the annual rental multiplied by the term of the insurance policy. Premium rates range from 5% of the aggregate insured rental for 5-year coverage to 3.5% for 15-year coverage and are payable in advance on a single premium basis.

MICC has arranged a contract of reinsurance with a reinsurance company registered under the provisions of the Foreign Insurance Companies Act under which the reinsurer will reimburse MICC for 80% of any losses incurred after a claim has continued for more than six months. It has also arranged with Commercial Loan Insurance Corporation (an affiliate company of Mortgage Guaranty Insurance Corporation of Milwaukee, Wisconsin ("MGIC") a shareholder of the Company) to share equally the losses occurring during the first six months of a claim and in the 20% not reimbursed under the reinsurance agreement referred to above.

Claims Procedure

Most policies of lease guarantee insurance issued by MICC do not provide coverage for the first two months of rental arrears. Once this period has expired, MICC pays the lessor the monthly insured rental until a new tenant has been obtained to make these payments. Payment by MICC of the monthly insured rental is not made until such time as the lessor has obtained physical possession of and restored the premises to a rentable condition.

Delinquency

Insured lessors are required to notify MICC when rentals are one month in arrears. As at December 31, 1971 no such notices had been received by the Company.

Maximum Exposure

As at December 31, 1971, maximum exposure under the lease guarantee program amounted to $6,251,000 of which the liability of the registered reinsurer amounted to $4,803,000, the remaining $1,448,000 to be shared equally between MICC and Commercial Loan Insurance Corporation.

United States Mortgage Reinsurance

In 1971 MICC entered into a reinsurance agreement with MGIC to reinsure that company for contracts of mortgage insurance covering mortgages on single family dwellings located in the United States. Such insured mortgages are written up to 95% of value and the insurance policy contains a clause under which MGIC may elect to settle the claim for a cash payment equal to 25% of the amount of the lender's claim. The premium received by MICC from MGIC is subject to retroactive adjustment upwards in accordance with a formula in the event that losses sustained by MICC become substantial.

Claims Procedure

Claims made on MICC are limited to those cases where MGIC exercises its option to settle a claim by the payment of 25% of the amount claimed. The amount of MICC's liability is 20% of the amount paid by MGIC. In those cases where MGIC elects to take over the property there can be no claim on MICC.

Delinquency

MGIC receives from its insured lenders similar notices on insured loans in default as are obtained by MICC on its mortgage insurance business. MGIC has advised MICC that at December 31, 1971, it had been notified of defaults on two loans upon which it expected to exercise its option to settle for a cash payment equal to 25% of the amount of the lender's claim.

Maximum Exposure

As at December 31, 1971, MICC had a maximum exposure under United States mortgage reinsurance of approximately $5,350,000.

Regulations and Reserves

The law of the United States requires MICC to maintain assets trusteed in the United States sufficient in accordance with a prescribed formula to fund its liabilities and reserves in the United States. MICC has undertaken with the Commissioner of Insurance for the State of Wisconsin to trustee and not remove prior to January 1, 1977 the profits from its United States operations. The Company anticipates that with the continued growth of its reinsurance business further assets will be required to be trusteed rather than withdrawn.

Investments

MICC maintains a substantial portion of its assets in marketable securities which qualify as legal investments under applicable insurance laws. As at March 31, 1972 the investment portfolio, which is summarized below, had an average rate of return of 6.5% based upon cost.

Treasury Bills and other Short Term Securities

	Cost (Approximating Market Value)
	$
U.S. Government Bonds due within 3 years	248,828
Government of Canada Bonds due within 3 years	732,850
Provincial Treasury Bills	400,000
Bank Certificates of Deposit	600,000
Commercial Paper	95,000
Call Loan (secured)	1,700,000
	3,776,678

Bonds, Debentures and other Long Term Securities

	Amortized Cost	Market Value
	$	$
U.S. Government	203,591	202,950
Government of Canada	4,628,861	4,376,137
Provinces of Canada		
Alberta	443,782	419,000
Saskatchewan	247,178	210,000
Manitoba	437,792	385,500
Ontario	1,927,825	1,730,750
Quebec	673,650	554,500
New Brunswick	100,500	96,500
Nova Scotia	100,000	96,500
Newfoundland	95,115	88,000
	4,025,842	3,580,750
Canadian Municipalities	498,594	426,550
Canadian Corporate Bonds	1,446,871	1,344,600
Guaranteed Investment Certificates	150,000	150,000
	10,953,759	10,080,987

Stocks

	Cost $	Market Value $
Preferred Stocks	781,829	648,150
Convertible Preferred Stocks	257,735	276,100
Common Stocks	720,714	824,412
	1,760,278	1,748,662

Mortgages

Neither MICC nor the Company purchases or invests in mortgages, other than those taken back on the sale of real estate acquired as a result of a claim.

As at March 31, 1972 MICC held 20 such mortgages, which are all first mortgages made at the prevailing rates of interest at the time of acquisition, ranging from 7-1/2% to 10-1/2%. These mortgages were made for terms varying from 5 to 25 years and as at March 31, 1972 have an average term of 13 years.

Business of Charlotte Properties Limited

The Company has a 50% interest in a vacation land development company, Charlotte Properties Limited ("Charlotte"). This investment was undertaken on a joint venture basis with Bowes & Cocks Properties Limited of Peterborough, Ontario whose interest is now held by Peterborough Developments Limited. Charlotte is developing 1,100 acres of vacation land in the vicinity of Bancroft, Ontario. The project will ultimately produce 500 lakefront lots. The Company's investment totals $200,000 and is comprised of $100,000 in equity capital and $100,000 as a shareholder's advance bearing interest at 1% over the prime rate charged by the Company's banker from time to time. Additionally, the Company has guaranteed bank advances to Charlotte of $400,000. It is anticipated that this development will require an additional investment by the Company not exceeding $100,000 and will continue for approximately five years to seven years.

THE CANADIAN AND BRITISH INSURANCE COMPANIES ACT

The Canadian and British Insurance Companies Act (the "Act"), which is administered by the Federal Department of Insurance, governs the activities of federally incorporated Canadian insurance companies. The Act limits the type of investments that an insurance company may make and places restrictions on the amount of dividends that may be declared without the prior consent of the Minister of Finance. With respect to dividends MICC falls within an exemption under the Act with the result that there is at present no restriction under the Act upon the amount of dividends that MICC may declare. When, however, the total of the Unearned Premium Reserve and Additional Policy Reserve (referred to under the heading "Regulations and Reserves") exceeds the total of the capital and surplus, MICC will only be able to declare, without the prior consent of the Minister of Finance, up to 75% of its average annual profit (as determined in accordance with the Act) for the three preceding calendar years. The Act stipulates certain levels of solvency requiring, in effect, that a company maintain at all times assets in excess of 115% of liabilities, that assets in Canada exceed liabilities in Canada and that a company maintain an adequate level of reserves (referred to under the heading "Regulations and Reserves"). The Act also grants broad powers to the Superintendent of Insurance for the administration and enforcement of the Act, including requirements with respect to financial reporting and levels of capital and surplus.

Regulations and Reserves

Mortgage insurance and lease guarantee insurance covers the risk of loss on an investment or income therefrom over a long period of time. Since MICC usually writes insurance policies for a term of 15 years and is paid on a single premium basis in advance, the method of taking premiums into income is of considerable importance.

Companies subject to the Canadian and British Insurance Companies Act are required to maintain a reserve for unearned premiums computed pro rata for the unexpired term of the policy. This reserve is called the Unearned Premium Reserve to which all premiums received on new business written are credited. Withdrawals from the Unearned Premium Reserve are made annually and are taken into income in accordance with a formula approved by the Superintendent of Insurance. In the case of MICC's mortgage insurance, the formula takes into account declining mortgage balances.

MICC is also required to maintain a second reserve known as the Additional Policy Reserve. This reserve is funded by transferring to it one-half of the premium taken into income for each policy year commencing in the third year of 10 and 15 year mortgage insurance policies and in the second year of lease guarantee insurance policies and five year mortgage insurance policies.

Unearned Premium Reserves and Additional Policy Reserves are not required to be maintained after cancellation of an insurance policy and accordingly such reserves are taken into income in the year of cancellation.

Capital Requirements

MICC is required to maintain adequate capital with respect to its mortgage insurance business and its lease guarantee insurance business in accordance with a formula approved by the Superintendent of Insurance. There are similar requirements in the United States with respect to MICC's United States mortgage reinsurance business. The current formula with respect to mortgage insurance business in force requires MICC to maintain the total of equity, Unearned Premium Reserves and Additional Policy Reserves in excess of a figure resulting from the addition of the products derived by multiplying premiums written in the current year and in each of the preceding years by factors varying from 175% for the current year to 40% for the 14th preceding year.

As at December 31, 1971 the total of equity, Unearned Premium Reserves and Additional Policy Reserves exceeded the current formula by $366,500. This excess combined with the $2,000,000 equity investment made by the Company in MICC in March, 1972 and a further $4,000,000 equity investment to be made by the Company out of the proceeds of this issue would allow MICC to write $8,400,000 of additional mortgage insurance premiums in 1972.

Accounting Principles

The accounting principles and practices used in the annual report of MICC filed with the Superintendent of Insurance, do not, in the opinion of the Company and its auditors, reflect either the capital employed by MICC or the profit resulting from its operations in accordance with generally accepted accounting principles. A Summary of Balance Sheet as at December 31, 1971 filed with the Superintendent of Insurance is set out on page 24. On consolidation the accounts of MICC are consolidated with those of the Company on the basis of generally accepted accounting principles as mentioned in note 2 to the Consolidated Financial Statements.

DETAILS OF THE OFFERING

Description of Common Shares

The share capital of the Company consists exclusively of common shares without par value of the class being offered by this prospectus. The holders of common shares are entitled to receive pro-rata such dividends as may, from time to time, be declared by the board of directors; are entitled to one vote per share; have no pre-emptive or conversion rights; and are entitled, upon liquidation, to receive pro-rata such assets of the Company as are distributable to holders of the common shares. Outstanding common shares and the common shares hereby offered will be fully paid and non-assessable.

Dividend Record and Policy

The Company paid a cash dividend of 12.5¢ per share in 1971. In connection with the disposition by the Company of certain assets in February 1969, the Company paid a stock dividend on its common shares consisting of 8,970 preferred shares of the par value of $100 each and 31,750 common shares without par value. These stock dividends amounted to .024 preferred shares and .085 common shares for each common share then outstanding. The preferred shares were subsequently redeemed.

The board of directors has declared its intention to consider the payment of dividends on a regular basis. Future dividends will necessarily depend upon earnings of the Company, the financial position of the Company and other business and financial considerations as appraised by the board of directors. Earnings of the Company are presently largely dependent on the receipt of dividends from MICC. The payment of dividends by MICC may be subject to the restrictions contained in the Canadian and British Insurance Companies Act.

Eligibility for Investment

In the opinion of counsel, the common shares will qualify as investments:

(a) in which insurance companies registered under Part III of the Canadian and British Insurance Companies Act (Canada) may invest their funds without resorting to the provisions of subsection (4) of Section 63 of such Act;

(b) that qualify as assets which insurance companies registered under the Foreign Insurance Companies Act (Canada) may vest in trust without resorting to the provisions of Section 4 of Schedule I to such Act;

(c) in which trust companies incorporated under the Trust Companies Act (Canada) may invest their funds without resorting to the provisions of subsection (6) of Section 68 of such Act;

(d) in which loan companies incorporated under the Loan Companies Act (Canada) may invest their funds without resorting to the provisions of subsection (5) of Section 60 of such Act;

(e) in which the funds of pension plans registered under the Pension Benefits Standards Act (Canada) may invest their funds without resorting to the provisions of Section 4 of Schedule C to the Regulations made under such Act;

Prior Sales

On November 15, 1971 the Company sold 112,306 common shares at a price of $10 per share. These shares were sold pro-rata to the shareholders of the Company. The proceeds from this sale were used to increase the Company's equity investment in MICC.

PLAN OF DISTRIBUTION

Pursuant to an agreement dated June 13, 1972 between the Company and Greenshields Incorporated (the "Underwriter") the Company agreed to sell and the Underwriter agreed to purchase 550,000 unissued common shares without par value in the capital of the Company for an aggregate consideration of $7,755,000. The purchase price is payable in cash against delivery on or before June 28, 1972 upon and subject to the terms and conditions set out in the agreement. The obligations of the Underwriter under the agreement may be terminated at its discretion on the basis of its assessment of the state of the financial markets and may also be terminated upon the occurrence of certain stated events. The Underwriter is, however, obligated to take up and pay for all of the common shares if any of the common shares are purchased. At the request of the Company, the Underwriter has reserved up to 15,000 of the common shares offered hereby for sale, at the Price to Public, to certain directors of the Company. The number of common shares available for offering to the public will be reduced to the extent that such directors purchase the common shares so reserved.

SHAREHOLDERS AND MANAGEMENT

Principal Holders of Securities

The following table sets forth the ownership beneficially and of record of each person or company owning of record, or to the knowledge of the company, beneficially, directly or indirectly, more than 3% of the equity shares of the Company as at April 30, 1972:

Name and Address	Designation of Class	Type of Ownership	No. of Shares Owned	Percentage of Class Before Offering	Percentage of Class After Offering
Air Canada, Trustee for Air Canada Pension Trust Fund 1 Place Ville Marie Montreal, P.Q.	Common	Beneficial & of record	51,236	4.4%	3.0%
Aluminum Company of Canada, Limited 1 Place Ville Marie Montreal, P.Q.	Common	Beneficial & of record	187,932	16.3%	10.9%

Name and Address	Designation of Class	Type of Ownership	No. of Shares Owned	Percentage of Class Before Offering	Percentage of Class After Offering
A Canadian Chartered Bank Bank of Nova Scotia Building 44 King Street West Toronto, Ontario	Common	Beneficial (1)	187,296	16.3%	10.9%
A Canadian Chartered Bank Toronto-Dominion Centre Toronto, Ontario	Common	Beneficial (2)	51,038	4.4%	3.0%
Canadian Enterprise Development Corporation Limited Room 967, Sun Life Bldg. Montreal, P.Q.	Common	Beneficial & of record	102,188	8.9%	6.0%
Canadian National Railway Company, Trustee for Canadian National Railways Pension Trust Fund P.O. Box 155, Place Bonaventure Montreal, P.Q.	Common	Beneficial & of record	102,188	8.9%	6.0%
Canadian Pacific Investments Limited Room 259, Windsor Station Montreal, P.Q.	Common	Beneficial & of record	153,936	13.4%	9.0%
Mortgage Guaranty Insurance Corporation 600 Marine Plaza Milwaukee, Wisconsin	Common	Beneficial & of record	102,188	8.9%	6.0%
Shieldings Limited (3) 4 Place Ville Marie Montreal, P.Q.	Common	Beneficial & of record	186,732	16.2%	10.9%

As at April 30, 1972 the directors and senior officers of the Company, as a group, beneficially owned, directly or indirectly, 2.33% of the common shares of the Company.

(1) Owned of record by Bansco & Co., 44 King Street West, Toronto.

(2) Owned of record by Bantor Company, Toronto-Dominion Centre, Toronto.

(3) Shieldings Limited is controlled by Greenshields Incorporated.

Directors and Officers

The names and home addresses, positions held with the Company and principal occupations of the directors and officers of the Company are as follows:

Name and Address	Position Held	Principal Occupation
Thomas Albert Boyles 24 Edmund Avenue Toronto, Ontario	Director	Chairman and Chief Executive Officer A Canadian Chartered Bank
Thomas Leith Brock 360 Chester Avenue Montreal, P.Q.	Director	Secretary Aluminum Company of Canada, Limited

Name and Address	Position Held	Principal Occupation
Ronald Calvin Brown 62 Airdrie Road Toronto, Ontario	Director	Partner Blake, Cassels & Graydon
Harold Cauldwell Corrigan 20 Browside Avenue Toronto, Ontario	Director	President Alcan Canada Products Limited
Dudley Dawson 218 Edgehill Road Westmount, P.Q.	Director	Vice Chairman Greenshields Incorporated
Gardner English 211 Dunvegan Road Toronto, Ontario	President, Chief Executive Officer and Director	Officer of the Company
Charles William Jameson 20 Ruden Crescent Don Mills, Ontario	Vice-President and Director	Deputy Chief General Manager A Canadian Chartered Bank
Max Henry Karl 6868 North Barnett Lane Milwaukee, Wisconsin	Director	President MGIC Investment Corporation
Peter Kilburn 1321 Sherbrooke Street West Montreal, P.Q.	Director	Chairman Greenshields Incorporated
Paul Henri Leman 43 Maplewood Avenue Outremont, P.Q.	Director	President Alcan Aluminium Limited
Alexander MacLean 45 Delhi Avenue Toronto, Ontario	Director	General Manager A Canadian Chartered Bank
Reginald Thomas Ryan 6 Forestview Road Etobicoke, Ontario	Executive Vice-President and Director	Officer of the Company
Herbert Norman Seath 78 Celtic Drive Beaconsfield Montreal, P.Q.	Director	Director, Investments Air Canada
Gerald Dudley Sutton 116 Easton Avenue Montreal West, P.Q.	Director	President Canadian Enterprise Development Corporation Limited

Name and Address	Position Held	Principal Occupation
David Charles Toms 16 Farmcote Road Don Mills, Ontario	Secretary-Treasurer	Officer of the Company
John Leary Toole 4300 Blvd. de Maisonneuve West Apt. No. 327 Westmount, P.Q.	Director	Chairman, CN Investment Division Canadian National Railways
Charles Lawrence Townend 112 Strath Avenue Toronto, Ontario	Director	Assistant General Manager A Canadian Chartered Bank
Gijsbertus Johannes van den Berg 141 Hampshire Crescent Beaconsfield Montreal, P.Q.	Director	Vice-President, Finance Canadian Pacific Limited
Beverley George Willis 17 Westroyal Road Weston, Ontario	Director	Senior Vice-President Greenshields Incorporated

During the past five years, all directors and officers have been associated in the various capacities (or in other capacities with the same companies or firms) as indicated opposite their names under the heading "Principal Occupation" except Messrs. English, Ryan and Toms who became officers of the Company in 1969 and who are, and have been, officers of MICC for more than five years, and Mr. Seath who was Manager, Investment Division, of The Canada Trust Company from June 1969 until December 1971. Prior to June 1969, Mr. Seath was Manager, Pension Investments, of Montreal Trust Company.

Option to Purchase Shares

An option to purchase 2,000 common shares without par value in the capital of the Company was granted to a director and senior officer at an option price of $4.50 per share. This option was granted on October 15, 1969 and expires on December 31, 1972. At the time the option was granted there was no reasonably ascertainable market value for these shares.

Remuneration

The aggregate direct remuneration paid by the Company and its subsidiaries to the directors and senior officers of the Company during the year ended December 31, 1971, was $134,184 and for the 4 months ended April 30, 1972 was $55,850. The estimated aggregate cost to the Company and its subsidiaries for the last completed financial year of all pension benefits proposed to be paid to the directors and senior officers under existing plans in event of retirement at normal retirement age was $13,000.

EMPLOYEE STOCK PURCHASE PLAN

On June 12, 1972, 15,200 common shares of the Company were issued under an employee stock purchase plan at the price of $14.10 per share to trustees on behalf of seven full time employees, of whom four are directors or senior officers. Under this plan the Company has provided the funds to the trustees to enable them to purchase such shares. The employees have purchased the shares from the trustees under loan arrangements and are required to repay these loans prior to December 31, 1982, with interest at 3% per annum. In turn, the trustees are required to retire their indebtedness and to pay interest to the Company only to the extent of employee payments.

MATERIAL CONTRACTS

During the past two years the Company has entered into the following contracts in addition to contracts entered into in the ordinary course of business:

(1) The agreement between the Underwriter and the Company referred to under the heading "Plan of Distribution".

(2) The employee stock purchase plan referred to under the heading "Employee Stock Purchase Plan".

Copies of the above may be inspected at the head office of the Company during ordinary business hours during distribution to the public of the common shares offered by this prospectus and for thirty days thereafter.

MICC has entered, and will from time to time enter, into contracts of insurance and reinsurance which may be material but which are considered to be in the ordinary course of its business.

MANAGEMENT INTEREST

Messrs. Dawson, Kilburn and Willis are directors of the Company and are also shareholders, senior officers and directors of Greenshields Incorporated, a party to the agreement described under the heading "Plan of Distribution". During the three year and three month period ended March 31, 1972 MICC issued commitments to insure totalling $23,658,044 to a shareholder holding more than 10% of the common shares of the Company. This shareholder, as well as being the Company's banker, holds an interest of approximately 49% in Central Covenants referred to under the heading "Introduction to Mortgage Insurance".

AUDITORS

The Company's auditors are McDonald, Currie & Co., 120 Adelaide Street West, Toronto, Ontario.

TRANSFER AGENT AND REGISTRAR

The Transfer Agent of the Company's common shares is The Canada Trust Company at its principal transfer offices in Halifax, Montreal, Toronto, Winnipeg, Regina, Calgary and Vancouver. The Registrar of the Company's common shares is Canada Permanent Trust Company at its principal office in Halifax, Montreal, Toronto, Winnipeg, Regina, Calgary and Vancouver.

PURCHASER'S STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION

Sections 64 and 65 of The Securities Act (Alberta), sections 70 and 71 of The Securities Act, 1967 (Saskatchewan), sections 63 and 64 of The Securities Act (Manitoba) and sections 64 and 65 of The Securities Act (Ontario) provide, in effect, that where a security is offered to the public in the course of primary distribution:

(a) a purchaser will not be bound by a contract for the purchase of such security if written or telegraphic notice of his intention not to be bound is received by the vendor or his agent not later than midnight on the second business day after the prospectus or amended prospectus offering such security is received or is deemed to be received by him or his agent, and

(b) a purchaser has the right to rescind a contract for the purchase of such security, while still the owner thereof, if the prospectus or any amended prospectus offering such security contains an untrue statement of a material fact or omits to state a material fact necessary in order to make any statement therein not misleading in the light of the circumstances in which it was made, but no action to enforce this right can be commenced by a purchaser after the expiration of 90 days from the later of the date of such contract or the date on which such prospectus or amended prospectus is received or is deemed to be received by him or his agent.

Sections 61 and 62 of the Securities Act, 1967 (British Columbia) provide, in effect, that where a security is offered to the public in the course of primary distribution:

(a) a purchaser has a right to rescind a contract for the purchase of such security, while still the owner thereof, if a copy of the last prospectus, together with financial statements and reports and summaries of reports relating to the securities as filed with the British Columbia Securities Commission, was not delivered to him or his agent prior to delivery to either of them of the written confirmation of the sale of the securities. Written notice of intention to commence an action for rescission must be served on the person who contracted to sell within 60 days of the date of delivery of the written confirmation, but no action shall be commenced after the expiration of three months from the date of service of such notice, and

(b) a purchaser has the right to rescind a contract for the purchase of such security, while still the owner thereof, if the prospectus or any amended prospectus offering such security contains an untrue statement of a material fact or omits to state a material fact necessary in order to make any statement therein not misleading in the light of the circumstances in which it was made, but no action to enforce this right can be commenced by a purchaser after the expiration of 90 days from the later of the date of such contract or the date on which such prospectus or amended prospectus is received or is deemed to be received by him or his agent.

Reference is made to the aforesaid Acts for the complete texts of the provisions under which the foregoing rights are conferred and the foregoing summary is subject to the express provisions thereof.

AUDITORS' REPORT

To the Directors
MICC Investments Limited

We have examined the consolidated balance sheets of MICC Investments Limited and its subsidiary as at March 31, 1972 and December 31, 1971, the pro forma consolidated balance sheet as at March 31, 1972 and the consolidated statements of earnings, retained earnings and unrealized loss on stocks for the five years and three months ended March 31, 1972. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion

a) the accompanying consolidated balance sheets present fairly the financial positions of the companies as at March 31, 1972 and December 31, 1971;

b) the accompanying pro forma consolidated balance sheet presents fairly the financial position of the companies as at March 31, 1972 after giving effect to the transactions as set out in note 8 to the financial statements;

c) the accompanying consolidated statements of earnings, retained earnings and unrealized loss on stocks present fairly the results of the operations for the five years and three months ended March 31, 1972;

all in accordance with generally accepted accounting principles applied on a consistent basis.

McDonald, Currie & Co.
Chartered Accountants

Toronto, June 13, 1972

ASSETS

Cash and Accounts Receivable	March 31, 1972 Pro Forma (note 8) $	March 31 1972 $	December 31 1971 $
Cash	6,198,157	503,157	207,074
Interest accrued and sundry receivables	210,449	210,449	189,191
Premiums receivable	275,000	275,000	166,280
Due from other insurance companies	269,954	269,954	240,617
	6,953,560	1,258,560	803,162
Investments (note 9)			
Treasury bills and other short-term securities - at cost	3,776,678	3,776,678	1,125,200
Bonds and debentures - at amortized cost (market value $10,080,987; 1971 $10,260,449).	10,953,759	10,953,759	10,644,596
Stocks - at market value (cost $1,760,278; 1971 - $1,735,278)	1,748,662	1,748,662	1,643,325
Mortgages - at cost	339,448	339,448	315,711
Associated company (note 3)	208,401	208,401	208,401
	17,026,948	17,026,948	13,937,233
Other Assets			
Loan to trustees under employee stock purchase plan	214,320	—	—
Other	23,691	23,691	20,271
	238,011	23,691	20,271
	24,218,519	18,309,199	14,760,666

Approved On Behalf Of The Board

Gardner English, Director

Harold Corrigan, Director

NTS LIMITED

ALANCE SHEET

LIABILITIES

Accounts Payable	March 31, 1972 Pro Forma (note 8) $	March 31 1972 $	December 31 1971 $
Bank loan	—	2,000,000	—
Due to other insurance companies	13,084	13,084	93,557
Provision for claims	23,800	23,800	23,550
Accounts payable and accrued liabilities	48,346	48,346	30,331
Due for securities purchased	252,170	252,170	—
Premium taxes payable	60,322	60,322	60,930
Income taxes payable	318,719	318,719	197,962
	716,441	2,716,441	406,330
Unearned Net Premiums	5,690,424	5,690,424	4,813,050
Deferred Income Taxes	895,160	895,160	857,560
	7,302,025	9,302,025	6,076,940

SHAREHOLDERS' EQUITY

Capital Stock (notes 4, 7 and 8)			
Authorized - 800,000 (pro forma 5,000,000) common shares without par value			
Issued and fully paid - 575,782 (pro forma 1,716,764) common shares	13,780,852	5,811,532	5,811,532
Retained Earnings (note 5)	3,147,258	3,207,258	2,964,147
	16,928,110	9,018,790	8,775,679
Unrealized Loss on Stocks	11,616	11,616	91,953
	16,916,494	9,007,174	8,683,726
	24,218,519	18,309,199	14,760,666

MICC INVESTMENTS LIMITED

CONSOLIDATED STATEMENT OF EARNINGS

For the five years and three months ended March 31, 1972
(With comparative figures for the three months ended March 31, 1971)

	Three months ended March 31		Years ended December 31				
	1972	1971 (unaudited)	1971	1970	1969	1968	1967
Income							
Premiums written	$1,258,727	$308,976	$3,312,824	$484,856	$555,110	$802,507	$1,076,192
Less: transfers to (from) Unearned Net Premiums	900,556	159,358	2,446,003	(123,239)	(94,116)	163,357	549,179
Premiums earned	358,171	149,618	866,821	608,095	649,226	639,150	527,013
Application fees	100,598	33,383	239,335	34,020	12,479	23,548	61,414
Commission income	1,496	2,143	9,232	–	–	–	–
	460,265	185,144	1,115,388	642,115	661,705	662,698	588,427
Investment income -							
Interest	203,506	137,956	626,176	520,667	444,097	379,614	292,051
Dividends	19,731	18,253	76,023	67,405	61,992	62,074	48,430
Other	–	–	566	7,835	–	–	–
	223,237	156,209	702,765	595,907	506,089	441,688	340,481
	683,502	341,353	1,818,153	1,238,022	1,167,794	1,104,386	928,908
Expenses							
Losses on claims incurred	17,965	5,000	42,513	8,125	3,524	8,771	12,768
Insurance underwriting and policy issuance expenses	93,969	41,186	218,116	135,066	116,276	122,542	105,441
Premium taxes	18,794	5,633	61,417	9,697	11,102	16,045	21,861
Other operating expenses	79,806	45,316	196,722	171,271	165,102	156,547	143,311
	210,534	97,135	518,768	324,159	296,004	303,905	283,381
Earnings before Income Taxes	472,968	244,218	1,299,385	913,863	871,790	800,481	645,527
Provision for Income Taxes							
Current	192,257	85,000	497,700	274,000	257,000	222,525	182,500
Deferred	37,600	25,600	101,652	140,000	152,937	149,000	109,000
	229,857	110,600	599,352	414,000	409,937	371,525	291,500
Earnings before Realized Investment Gains	243,111	133,618	700,033	499,863	461,853	428,956	354,027
Realized gain on disposal of investments	–	–	58,658	10,930	56,965	150	6,615
Earnings before Extraordinary Item	243,111	133,618	758,691	510,793	518,818	429,106	360,642
Extraordinary Item							
Gain on disposal of investments of parent company on re-organization (Note 1)	–	–	–	–	1,019,731	–	–
Net earnings for the Period	243,111	133,618	758,691	510,793	1,538,549	429,106	360,642
Earnings per share after giving effect to a 2 for 1 subdivision of shares (Note 7a)							
Earnings before realized investment gains	21.0¢	12.5¢	66.5¢	49.0¢	51.5¢	Note 1	Note 1
Earnings before extraordinary item	21.0¢	12.5¢	72.0¢	50.0¢	58.0¢	Note 1	Note 1

MICC INVESTMENTS LIMITED

CONSOLIDATED STATEMENT OF UNREALIZED LOSS ON STOCKS

For the five years and three months ended March 31, 1972
(With comparative figures for the three months ended March 31, 1971)

	Three Months Ended March 31		Years Ended December 31				
	1972 $	1971 $ (unaudited)	1971 $	1970 $	1969 $	1968 $	1967 $
Balance-Beginning of Period	91,953	146,318	146,318	220,644	40,533	101,087	70,992
Increase (decrease) in unrealized loss during period	(80,337)	(59,007)	(54,365)	(74,326)	180,111	(60,554)	30,095
Balance-End of Period	11,616	87,311	91,953	146,318	220,644	40,533	101,087

CONSOLIDATED STATEMENT OF RETAINED EARNINGS

For the five years and three months ended March 31, 1972
(With comparative figures for the three months ended March 31, 1971)

	Three Months ended March 31		Years Ended December 31				
	1972 $	1971 $ (unaudited)	1971 $	1970 $	1969 $	1968 $	1967 $
Balance-Beginning of Period	2,964,147	2,335,363	2,335,363	1,824,570	1,279,401	850,295	489,653
Net earnings for the period	243,111	133,618	758,691	510,793	1,538,549	429,106	360,642
	3,207,258	2,468,981	3,094,054	2,335,363	2,817,950	1,279,401	850,295
Cash dividend	–	–	129,907	–	–	–	–
Stock dividend (Note 1)	–	–	–	–	993,380	–	–
	–	–	129,907	–	993,380	–	–
Balance-End of Period . .	3,207,258	2,468,981	2,964,147	2,335,363	1,824,570	1,279,401	850,295

1. Principles of Consolidation

The consolidated financial statements of MICC Investments Limited (the company) include the accounts of its subsidiary, The Mortgage Insurance Company of Canada (MICC). During 1969 the company acquired 21,045 shares of MICC being the minority interest (approximately 49%) for $1,978,230 representing the amount paid up and contributed thereon and approximating the net book value of the underlying assets, after deduction for unrealized losses on investments. The company then issued 210,450 common shares, having a total value ascribed to them of $1,978,230, in exchange for such shares. The result of these transactions is that the individual shareholders of MICC, either through the company or directly as a minority interest, have generally retained their proportions of ownership of MICC throughout the five year and three month period to March 31, 1972. The acquisition is accounted for in the consolidated financial statements on a "pooling of interest" basis.

Prior to the acquisition of the minority shares of MICC in 1969, the company divested itself of its other investments for consideration of $2,172,000, reorganized its share capital, declared stock dividends and redeemed preferred shares for $2,172,000. Due to the reorganization in 1969, disclosure of earnings per share for 1967 and 1968, and earnings per share, after extraordinary item for 1969, is not meaningful.

2. Basis of Presentation

The accounts of MICC have been adjusted for consolidation purposes and are included herein in accordance with generally accepted accounting principles. The financial statements of MICC are prepared in accordance with statutory requirements which differ from generally accepted accounting principles. The most significant differences under statutory practices are as follows:

a) Bonds and debentures are carried at a value authorized by the Superintendent of Insurance which is less than amortized cost.

b) Acquisition costs and other expenses related to premium income are charged to expense in the year incurred rather than being amortized over the life of the policies.

c) An "additional policy reserve" is established and the reserve for unearned premiums is in excess of the amount considered necessary by the company.

d) Other assets, comprising office equipment and leasehold improvements, are written off when acquired.

On consolidation, bonds and debentures are stated at amortized cost, stocks are stated at quoted market value, acquisition costs and other expenses related to premium income are amortized over the life of the policies, the additional policy reserve is not set up and other assets, comprising office equipment and leasehold improvements, are capitalized and then depreciated or amortized over their useful lives.

3. Associated Company

The investment in the associated company is stated at cost, adjusted for the company's share of earnings since date of acquisition, and consists of the following:

Demand loan (unsecured)		100,000
8,000 redeemable preference shares		80,000
20,000 common shares	20,000	
Share of earnings to November 30, 1971	8,401	28,401
		$208,401

4. Capital Stock

An option has been granted to a senior officer of the company for the purchase of 2,000 common shares at $4.50 per share, exercisable on or before December 31, 1972, after giving effect to the change in issued share capital (note 7a).

5. Retained Earnings

The amount of retained earnings shown in the consolidated balance sheet is stated on the basis of generally accepted accounting principles. This amount is greater than that available for the payment of dividends because of the statutory accounting practices followed by MICC (note 2).

6. Contingent Liability

The company has guaranteed bank advances of an associated company to a maximum of $400,000. At March 31, 1972, the bank advances of the associated company were in excess of this amount.

7. Subsequent Events

a) The company has obtained supplementary letters patent dated May 4, 1972 changing its name from Holborough Investments Limited, subdividing each of the issued and unissued common shares of the company into two shares and increasing the authorized capital of the company to 5,000,000 common shares without par value;

b) on June 13, 1972 the company entered into an agreement with Greenshields Incorporated providing for the sale of 550,000 common shares for a cash consideration of $7,755,000; and

c) on June 12, 1972 the directors of the company issued 15,200 common shares under an employee stock purchase plan at a price of $14.10 per share.

8. Pro Forma Consolidated Statements

The pro forma consolidated balance sheet gives effect to the aforementioned subdivision of shares and the following transactions as if they had occurred on March 31, 1972:

a) the increase in the authorized share capital to 5,000,000 common shares;

b) the issue of 550,000 common shares without par value and the application of the net proceeds to bank indebtedness and cash;

c) the payment of legal, accounting and other expenses of financing estimated at $60,000 charged to Retained Earnings; and

d) the issue of 15,200 common shares under the employee stock purchase plan and the granting of a loan of $214,320 to the trustees under this plan.

9. For details of types of securities see heading “Investments” on page 9 of this prospectus.

THE MORTGAGE INSURANCE COMPANY OF CANADA

BALANCE SHEET AS AT DECEMBER 31, 1971

(Summary of Balance Sheet filed with the
Superintendent of Insurance)

ASSETS

	$
Cash and Accounts Receivable	
Cash	193,033
Premiums receivable	166,280
Interest accrued and sundry receivables	188,607
Due from other insurance companies	240,617
	788,537
Investments	
Bonds, debentures and stocks - at authorized values (approximating market value)	12,912,000
Mortgages - at cost	315,711
	13,227,711
	14,016,248

LIABILITIES

	$
Accounts Payable	
Provision for claims	23,550
Accounts payable and accrued liabilities	29,781
Due to other insurance companies	93,557
Premium taxes payable	60,930
Income taxes payable	197,962
	405,780
Reserves	
Reserve for unearned premiums	5,808,873
Additional policy reserve	718,258
Reserve for unregistered reinsurance	31,518
	6,558,649
	6,964,429

SHAREHOLDERS' EQUITY

Capital Stock	
Authorized – 50,000 shares of the par value of $100 each	
Issued and fully paid – 44,900 shares	4,490,000
Contributed Surplus	1,167,914
Earned Surplus	1,393,905
	7,051,819
	14,016,248

Signed on behalf of the Board,

Gardner English, Director   Harold Corrigan, Director

AUDITORS' REPORT

To the Directors
The Mortgage Insurance Company of Canada

In accordance with the requirements of the Canadian and British Insurance Companies Act, we have examined the statements of assets, liabilities, capital and surplus of The Mortgage Insurance Company of Canada as at December 31, 1971 and have reported thereon. We have also examined the Summary of Balance Sheet which has been derived from the aforementioned statements.

In our opinion, this balance sheet presents the financial position of the company as at December 31, 1971 in accordance with accounting practices appropriate to the insurance laws of Canada.

Toronto, June 13, 1972

McDonald, Currie & Co.
Chartered Accountants

CERTIFICATES

Dated: June 13, 1972

COMPANY

The foregoing constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by Part VII of the Securities Act, 1967 (British Columbia) and the regulations thereunder, by Part 7 of The Securities Act (Alberta) and the regulations thereunder, by Part VIII of The Securities Act, 1967 (Saskatchewan) and the regulations thereunder, by Part VII of The Securities Act (Manitoba) and the regulations thereunder, by Part VII of The Securities Act (Ontario) and the regulations thereunder, under the Securities Act (Quebec) and by Section 13 of the Securities Act (New Brunswick).

Gardner English,
Chief Executive Officer

D.C. Toms,
Chief Financial Officer

On behalf of the Board of Directors

A. MacLean,
Director

Harold Corrigan,
Director

UNDERWRITER

To the best of our knowledge, information and belief, the foregoing constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by Part VII of the Securities Act, 1967 (British Columbia) and the regulations thereunder, by Part 7 of The Securities Act (Alberta) and the regulations thereunder, by Part VIII of The Securities Act, 1967 (Saskatchewan) and the regulations thereunder, by Part VII of The Securities Act (Manitoba) and the regulations thereunder, by Part VII of The Securities Act (Ontario) and the regulations thereunder, under the Securities Act (Quebec) and by Section 13 of the Securities Act (New Brunswick).

GREENSHIELDS INCORPORATED

E. Duff Scott

The following list includes the names of all persons having an interest either directly or indirectly to the extent of not less than 5% in the capital of Greenshields Incorporated: Peter Kilburn, Viscount Hardinge, Dudley Dawson, J.E. Brookes, W.T. Moran, B.P. Drummond, F.S. Martin, B.G. Willis, B.A. Goad, D.D. McConnell, J.B. Newman and E.D. Scott.

9. RECORD OF PROPERTIES

The Company has no properties and plant save its head and principal office in leased premises at 401 Bay Street, Toronto, Ontario.

10. SUBSIDIARY COMPANIES

The Company's only subsidiary is The Mortgage Insurance Company of Canada details of which are contained under the headings "The Company" on page 3, "Introduction to Mortgage Insurance" on page 4 and "Business of MICC" on page 5 of the Prospectus. Also, the Subsidiary's Balance Sheet as at December 31, 1971, is contained on page 24 of the Prospectus.

11. FUNDED DEBT

The Company has no funded debt.

12. OPTIONS, UNDERWRITING, ETC.

Reference is made to "Plan of Distribution" on page 12 of the Prospectus and to "Option to Purchase Shares" on page 15 of the Prospectus.

13. LISTING ON OTHER STOCK EXCHANGES

There are no securities of the Company listed on any other stock exchange. Application for listing on the Montreal Stock Exchange is being made at the same time as this application.

14. STATUS UNDER SECURITIES ACT

The Prospectus accompanying this application was filed with the Ontario Securities Commission on June 13, 1972, and on the same day was forwarded for filing under the Securities Legislation of the Provinces of New Brunswick, Nova Scotia, Newfoundland, Prince Edward Island, Québec, Manitoba, Saskatchewan Alberta and British Columbia.

The Ontario Securities Commission issued its official receipt for the Prospectus on June 14, 1972 and approval for the sale of the common shares offered by the Prospectus was subsequently obtained from the other Provinces.

15. FISCAL YEAR

The fiscal year of the Company ends on December 31 of each year.

16. ANNUAL MEETINGS

The by-laws of the Company provide that the annual meeting of shareholders shall be held at such time and at such place within Canada, or elsewhere as the board may from time to time determine provided that every meeting of the shareholders at which directors are elected shall be held within Canada. The last annual meeting of shareholders was held on March 15, 1972.

17. HEAD OFFICE

The head office of the Company is located at 401 Bay Street, Toronto, Ontario.

18. TRANSFER AGENT AND REGISTRAR

The Canada Trust Company at its principal transfer office in the Cities of Halifax, Toronto, Montreal, Winnipeg, Regina, Calgary and Vancouver is the Transfer Agent for the common shares of the Company. The Registrar of the Company's common shares is Canada Permanent Trust Company at its principal office in Halifax, Montreal, Toronto, Winnipeg, Regina, Calgary and Vancouver.

19. TRANSFER FEE

No fee is charged on stock transfers other than the customary government stock transfer taxes.

20. AUDITORS

The auditors of the Company are McDonald, Currie & Co., 120 Adelaide Street West, Toronto, Ontario.

21. DIRECTORS AND OFFICERS

Reference is made to "Directors and Officers" on page 13 of the Prospectus.

22. CERTIFICATE OF COMPANY

Pursuant to a resolution duly passed by its Board of Directors, MICC hereby applies for listing of the above mentioned securities on The Toronto Stock Exchange and the undersigned officers thereof hereby certify that the statements and representations made in this application and in the documents submitted in support thereof are true and correct.

MICC INVESTMENTS LIMITED

CORPORATE SEAL

Per: "GARDNER ENGLISH", President

"D. C. TOMS", Secretary-Treasurer

23. CERTIFICATE OF UNDERWRITER

To the best of our knowledge, information and belief all of the statements and representations made in this application and in the documents submitted in support thereof are true and correct.

GREENSHIELDS INCORPORATED

Per: "E. DUFF SCOTT"

DISTRIBUTION OF COMMON STOCK AS OF AUGUST 11, 1972.

Number		Shares
23	Holders of 1 — 24 share lots	247
264	" " 25 — 99 " "	11,380
207	" " 100 — 199 " "	21,890
82	" " 200 — 299 " "	16,990
36	" " 300 — 399 " "	11,205
24	" " 400 — 499 " "	9,700
57	" " 500 — 999 " "	34,017
102	" " 1000 — up " "	1,611,335
795	Shareholders — Total shares	1,716,764